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# Sub-Saharan Africa and the challenges of poverty eradication: Contemporary issues and policy framework

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## Abstract

In the past couple of decades, poverty has risen in Sub-Saharan Africa, undermining the region's peace and stability and threatening post-independence development efforts in many countries. The severity of poverty in the sub-continent is partly reflected by its human development indicators, which are among the poorest in the world. This development has spurred the creation and implementation of poverty reduction strategies in most of the countries concerned, aimed at overcoming extreme poverty and attracting debt relief from bilateral and multilateral agencies. Unfortunately, implementation of these strategies has produced mixed results. Therefore, this paper examines poverty in Sub-Saharan Africa and discusses contemporary issues that are responsible for the scourge. Accordingly, the paper .proffers a strategic framework for poverty reduction, anchored on an all-embracing, participatory approach to eradicating extreme poverty from the sub-continent.

***Keywords:*** Poverty; Sub-Saharan Africa; Strategies; Development

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## 1. Introduction

Poverty is a multi-dimensional scourge that undermines the ability of an individual or group of people to provide for their own basic needs. Although there is no universally accepted definition of poverty, there is however a consensus about the manifestations of poverty in all societies. Like development, poverty is a controversial issue; it is not a single, measurable, universal, pathological phenomenon. Rather, it is a complex, individual and socio-cultural concept, which varies over people, place and time, and includes both physiological and social dimensions (United Nations, 2000). However, understanding the multi-dimensional concept of poverty is particularly important for designing poverty reduction strategies aimed at eradicating extreme poverty.

Extreme poverty has become a problematic issue in Sub-Saharan Africa, particularly since the 1980s and has risen to become one of the most challenging issues confronting many countries on the sub-continent. Indeed, Sub-Saharan Africa remains the only region in the world where poverty is still increasing at an alarming rate (Grant et al., 2004; UNCTAD, 2013; UNECA, 2014). In response to this development, the United Nations Special Initiative for Africa (UNSIA) was launched in 1996 to reduce poverty in the continent. In fact, the international community has acknowledged the magnitude and expansion of poverty in Africa and the grave threat it poses to social, political and economic stability of the region. Accordingly, several national, sub-regional and international agencies-supported poverty reduction strategies have been created and implemented in many of these countries in this sub-region. Unfortunately, implementation of these strategies has produced mixed results in their trail.

Regrettably, in most Sub-Saharan African countries, poor people have little to contribute to government decisions designed to ameliorate their conditions. Indeed, poverty reduction policies are often top-down, while resources and decision-making are strongly concentrated in central government structures, to the detriment of local authorities and communities where there is a direct interface between poor people and the available resources. This lopsided development explains, in part, why many anti-poverty programmes initiated by governments in the region have failed resulting in avoidable loss of scarce resources and, sometimes, harming the interest of the poorest in the society.

In recognition of this unhealthy development, this paper discusses some of those pertinent issues responsible for this scourge, and proffers solutions aimed at aiding policy formulation and ensuring effectiveness of subsequent poverty eradication strategies in the sub-continent. Accordingly, the rest of the paper is divided into three sections. Section II examines the state of poverty in the subcontinent, while section III highlights some of those past poverty reduction strategies in the sub-continent. Finally, section IV concludes the paper with pertinent recommendations and instructive remarks.

## 2. The state of poverty in Sub-Saharan Africa

### 2.1. The challenges of mass poverty

One of the most critical contemporary development issues facing policy makers in Africa is mass poverty (UNECA, 1999; 1999a; World Bank, 2000). Apart from South Asia, Sub-Saharan Africa is home to most of the people living in poverty around the world. The African sub-continent also remains the only region where poverty is still on the increase, in sharp contrast to most other developing regions, which now show impressive progress in the global war against poverty (World Bank, 2000a).

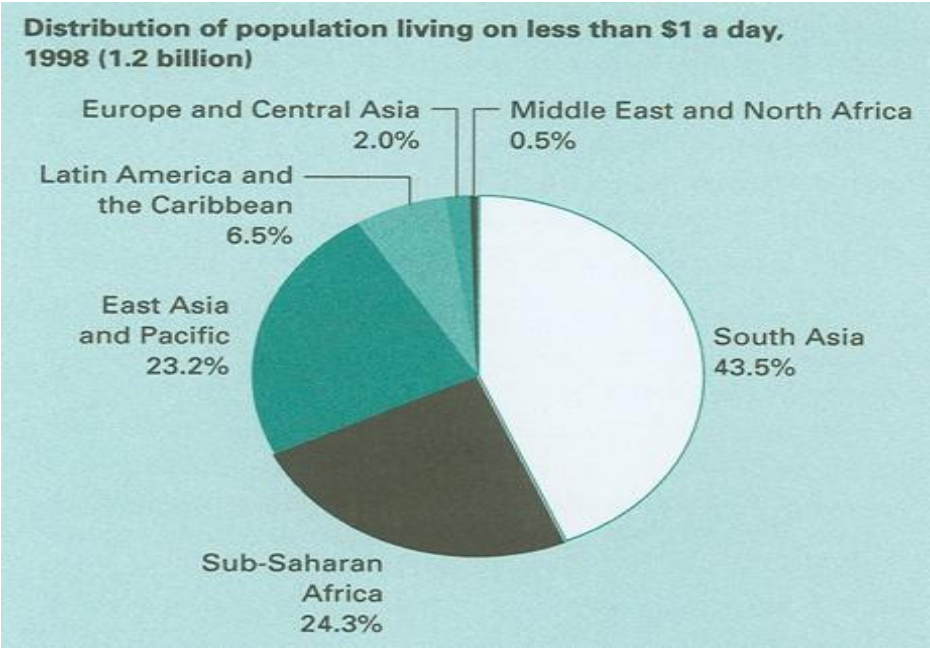
Distribution of population living on less than $1 a day, 1998 (1.2 billion)
Europe and Central Asia 2.0%
Middle East and North Africa 0.5%
Latin America and the Caribbean 6.5%
East Asia and Pacific 23.2%
South Asia 43.5%
Sub-Saharan Africa 24.3%

**Figure 1.** Shows the global distribution of populations in poverty at the turn of the New millennium (Source: World Bank 2000a.)

Figure 1 illustrates the scope of extreme poverty in Sub-Saharan Africa which is host to a relatively high proportion of the world's poor at the end of the twentieth century, with *24.3%* of the people around the world living in extreme poverty. Only South Asia has a higher proportion, at 43.5%.By 2012 however, it was estimated that about 41% in Sub-Saharan Africans live on less than $1 a day (Knoll and Hadden, 2012).

Poverty in Sub-Saharan Africa shows manifestation in several dimensions. Most of the world's Least Developed Countries (LDCs) are people who are victims of extreme deprivation, including hunger, high levels of illiteracy and mortality rates, as well as low levels of life expectancy (at birth). Extreme deprivation in Sub-Saharan Africa undermines development efforts, threatening to reverse decades of post-independence development success recorded in many countries. It also poses enormous challenges to international development targets set under the Millennium Development Goals (MDGs) aimed at reducing by one-half the level of global poverty by 2015. Projections are that, by 2040, the number of people living below the $1.25 in Sub-Saharan countries may more than double that of South Asia, unless ambitious policy measures are implemented promptly (see Table 1).

**Table 1.** Projections on Extreme Poverty by Region, 2010-2050 (Millions)

| Region or country | 2010 | 2020 | 2030 | 2040 | 2050, base case | 2050, accelerated progress |
|---|---|---|---|---|---|---|
| Arab States | 25 | 19 | 17 | 16 | 17 | 1 |
| East Asia and the Pacific | 211 | 74 | 42 | 29 | 29 | 9 |
| China | 94 | 13 | 5 | 1 | 1 | 0 |
| Europe and Central Asia | 14 | 2 | 3 | 3 | 4 | 1 |

*Source: Human Development Report, 2013, pp. 103*

Mass poverty began to emerge in Africa as a development issue since the early 1980s, in the wake of severe economic recession that gripped economies of several States on the continent. The trend degenerated further throughout the 1980s and assumed a crisis proportion by the early 1990s, in the aftermath of Structural Adjustment Programmes (SAPs) implemented across the African continent, with varying degrees of transparency (World Bank, 2000a; Feinberg and Gwin, 1989).

The United Nations Economic Commission for Africa (UNECA, 1999) conducted a continent-wide survey in a study that examined poverty in African countries. The results show that 44 percent of Africa's populations were living below a poverty line of US$39.00 per person, per month in the early 1990s. In the survey, Sub-Saharan Africa had a much higher incidence of poverty, with 51 percent of the population living below a poverty line of $34.00 per person per month. The study further shows the highest incidence of poverty as being prevalent in Guinea-Bissau, where 70 percent of the population lived below a poverty line of $26.00 per person per month. Indeed, twelve countries show a headcount ratio greater than the average for the continent: Guinea-Bissau (70 percent); Niger (68 percent); Tanzania (67 percent); Zambia (60 percent); Uganda '(52 percent); Senegal (51 percent); Madagascar (50 percent); Kenya (50 percent)"; Lesotho (48 percent) and South Africa (44 percent).

Poverty in Sub-Saharan Africa also shows a widespread dimension, both in rural areas and urban centres. In the UNECA's study, poverty in rural Sub-Saharan Africa was endemic, with 59 percent of the rural population living below the poverty line of about $26.00 per person per month. Ghana ranks as the country with the least rural poverty, and a headcount ratio of 35 percent, while Central Africa Republic ranks as the country with the highest with 78 percent of its rural population living below a poverty line of $251.00 per person per annum (or $21.00 per person per month).

Table 2 shows the sectoral distribution of poverty in Sub-Saharan Africa in the 1990s.

**Table 2.** A summary of Sectoral Poverty in Sub-Saharan Africa in the 1990s

| Poverty Indicator | Rural Sector | Urban Sector | National |
|---|---|---|---|
| Mean Expenditure ($) | 31.67* | 69.08 | 42.75 |
| Poverty Line ($) | | 43.42 | 31.43 |
| Average Expenditure of The Poor ($) | 25.92* | 26.93 | 17.64 |

*Source: UNECA, 1999.*

Table 2 illustrates the poverty head-count ratio of both rural areas and urban centres in Sub-Saharan Africa. It shows the former was higher (58.72 percent) than the latter (43 percent). This is a manifestation of extreme deprivation prevalent in rural Africa, where there is often a dearth of social and physical infrastructure, which exacerbates the already impoverished conditions of many inhabitants.

## 2.2. Contemporary issues and mass poverty

Causes of poverty in Africa are multi-dimensional. The consequences of poverty often reinforce its causes, becoming a serious threat to development practitioners and policy makers (World Bank, 1996). The causes include:

- Inadequate access to employment opportunities;
- Inadequate physical assets;
- Inadequate access to the means of supporting rural development in rural region;
- Inadequate access to markets;
- Low endowment of human capital;
- Destruction of natural resources;
- Inadequate success to assistance for those living at the margin;
- Lack of participation.

The extreme state of deprivation in Sub-Saharan Africa presents policy makers with salient issues that must be ameliorated in order to entrench growth and sustainable development on the sub-continent. The challenges of overcoming poverty in Sub-Saharan Africa therefore include the following (UNDP, 1997):

- Catching up with the progress in other regions.

While other regions have made considerable progress in reducing the incidence of poverty with good implications for economic growth and development, economies in Sub-Saharan Africa had either stagnated or shown little growth until recently. This trend is a threat to overcoming poverty in Sub-Saharan African unless concerted efforts are made to reverse the scourge of mass poverty.

- Correcting the imbalance in the rate of progress

Contemporary African economies are characterized by extreme inequality in progress or deprivation. Consequently, there is a disparity in terms of benefits and incidence between nations, as well as within nations in terms of gender, ethnic groups, regions, and rural-urban dichotomy.

- Linking economic growth and human development to poverty eradication.

Africa is the poorest region of the world, with its people, on average, recording virtually no increase in their incomes in the past few decades. Indeed, some economies in the region have been recording consistent negative economic growth since the 1980s, exacerbating the people's plight and fuelling hopelessness, helplessness, voicelessness, as well as lack of dignity and self-esteem. Consequently, policy makers would need to address the issue of economic growth, particularly in a manner that brings maximum benefits to the poor.

- Changing the faces and forces of poverty.

Unlike the past several decades, when most of the world's poorest countries were in Asia, there is now a shift in momentum away from Asia to Sub-Saharan Africa, where the incidence of poverty is still rising. A number of global issues account for this development, including the following:

(i) Globalization: Although globalization has provided opportunities for the developing world to penetrate the lucrative markets in developed economies, Sub-Saharan Africa remains notable exception, and remains severely marginalized in the emergent global economic order. For example, in the 1980s, exports as a percentage of Gross Domestic Product (GDP) in the region were at a paltry rate of 3 percent, the lowest in the developing world. This is in sharp contrast to East Asia, where several countries have increased exports of manufactured goods and services, with positive implication to poverty reduction.

(ii) HIV/AIDS Pandemic: Perhaps there is no other issue that dominates development discourse in Africa today than the incidence of HIV/AIDS. The relentless spread of HIV/AIDS pandemic in Sub-Saharan African is contributing to the new faces of poverty. The scourge shows a bi-directional relationship between poverty and illness. Poverty offers a fertile breathing ground for the pandemic's spread, and infection sets off a cascade of economic and social disintegration and impoverishment. The disease is now the leading cause of death, particularly amongst the youth in many African countries, leaving behind millions of orphanage children and aged parents in many countries, with grave consequences to socio-economic trends.

(iii) Environmental degradation and population pressure: Sub-Saharan Africa records some of the highest population growth rates in the developing world. It is also the region with the fastest growing urban inhabitants. These demographic trends hold serious consequences for the environment in both rural areas and urban centres. Demographic explosion in many countries in the region spurs the movement of people into marginal lands, where damages are often inflicted

on land, air and water. Detrimental activities, against the environment include bush burning, deforestation, and water pollution, which have exacerbated impoverishment in Africa.

(iv) Endemic conflicts: One of the most tragic developments in Africa is the rise of violent conflicts. Conflicts often arise within and between States, fuelled by political, ethnic and religious leaders struggling for the control of the State and its resources. Violent conflicts have resulted in the death and incapacitation of millions of innocent men, women and children who often become the victims of wanton killings and rape. Conflicts in Africa have been accompanied by the destruction of social and physical infrastructure, causing the displacement of the population, who flee as refugees across national borders in search of safe haven. This trend destroys the livelihoods of the people and renders them helpless and vulnerable to disease, starvation and extreme deprivation.

## 3. Poverty reduction strategies

### 3.1. An overview

In view of the endemic nature of poverty in Sub-Saharan Africa, as well as its impact on socio-economic trends, policy makers, development practitioners and international aid donors in the 1980s and 1990s arrived at a consensus to combat the region's poverty and reverse its damaging trend. In the run-up to the World Summit for Social Development (WSSD) in Copenhagen in 1995, African Ministers responsible for social development adopted a plan of action aimed at alleviating poverty on the continent. The "African Common Position on Human and Social Development in Africa" marks a watershed in the concerted efforts to mitigate mass poverty in the region. The action plan commits African governments to a development path with the core elements of human development, participation, empowerment and good governance (DSE, 2000). Among other things, the document notes that the most effective way to combat poverty in Africa is to create more employment and greater social stability. This is to be further accomplished by providing more equal opportunities, as well as investing in basic social services and strengthening self-help capacities. The document also calls for a major policy shift and redirection of resources to human development at the national, sub-regional, and regional levels, with similar action plans by African's development partners, including international development agencies, bilateral donors, NGOs, and civil society organizations.

Multi-lateral agencies, including the World Bank and International Monetary Fund (IMF) have been instrumental in providing policy directions for Africa's poverty reduction strategies. In 1999, the World Bank and the IMF created an action plan aimed at reducing the foreign debt burden of the least developed countries, under a comprehensive framework dubbed the "Highly Indebted Poor Countries (HIPC)" Initiative. The HIPC provided most African countries the opportunity to seek debt relief, which is critical to poverty reduction and economic growth. Under the initiative, poor countries are entitled to a reduction of debt

obligations to bilateral and multi-lateral creditors. A major hurdle for the poor countries is the preparation and implementation of poverty Reduction Strategy, Papers (PRSPs), a country-driven document that shows how resources conserved from debt relief would be applied to reinforce poverty reduction strategies (DATA 2004). Many African countries have integrated the HIPC agenda into their development policy framework, making poverty reduction the over-arching goal of national development.

In 2002, the, nations of the World adopted the United Nations Millenniums Declaration in a major international effort aimed at reducing global poverty by one half from the 1990 levels. A target of 2015 was set to accomplish the Millennium Development Goals (MDGs), which aim *to* (UNDP, 2003).

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Ensure environmental sustainability
- Develop a global partnership for development

African governments, civil society groups and donor agencies have adopted the MDGs as well as targets set for halving poverty in Africa by 2015. The MDGs now form part of poverty reduction strategies for all African nations.

Furthermore, there is a growing realization lately among many countries in the sub-continent of the close linkage between export promotion, and poverty reduction. Consequently, a number of countries in the Sub-Saharan region have cashed in on the export opportunities offered them by the developed nations. Two of such major opportunities are the EU's 'Everything But Arms Initiative' and the United States 'African Growth and Opportunity Act' (AGOA). As at January 2003, about 38 Sub-Saharan African countries were eligible for tariff preferences under the AGOA initiative. Similarly, under the EU's 'Everything but Arms Initiative', countries like Ghana and Lesotho have benefited immensely in the areas of furniture manufacturing and textiles exports, respectively (United Nations World Economic and Social Survey, 2003).

## 3.2. The future outlook

The scourge of poverty and hunger has remained disproportionately high in Sub-Saharan Africa in the past few decades. The number of poor people has been projected to rise dramatically from 315 million in 1999 to about 404 million people by 2015. Gloomy as the foregoing projection may seem indications are that many African countries have taken on the challenge squarely and have shown that success is, indeed, possible.

For instance, in 2003, twenty-four countries in Sub-Saharan Africa had growth rates of about 5 percent or more. And, the fall in poverty rates is demonstrably associated with economic growth.

However, the recovery in economic growth in several Sub-Saharan African economies has not translated into higher income and employment for poor people. One of the reasons is that growth has been achieved

through capital-intensive technologies usually associated with the oil sector. And, because the sector is highly capital-intensive, its direct contribution to poverty reduction through employment generation has been quite minimal. This argument is partly supported by the declining trend in Sub-Saharan Africa's employment growth during 1998-2004, a period when real GDP growth was rising (UNECA, 2005). The implication of this trend is that, reducing poverty in Sub-Saharan Africa would require, *inter alia,* the promotion of labour-intensive techniques, particularly poor people. Interestingly, many Sub-Saharan countries are moving towards commodity-based export-oriented industrialization or diversifying within the primary sector itself. Senegal, for instance, has embarked on rapid expansion of fish and fish product exports while Mali, through successful irrigation, has become main exporter of rice in the Sub-region (CFA, 2005).

In all, projections are that the Sub-Saharan African, countries are likely to record impressive growth improvement in the foreseeable future. Factors behind this expected growth include agricultural growth, expansion in mining activities, increases in donor supports and foreign investment inflows as well as growth in tourism activities (UNECA, 2005).

## 4. Recommendations

In order to effectively stem the tide of extreme poverty in Sub-Saharan African, concerted efforts are needed at the global, regional, national and local levels aimed at mobilizing crucial resources that target the poor and their needs. A major reason why many poverty alleviation programmes have failed in Sub-Saharan Africa is the marginalization of the poor in the conceptualization and management of such programmes (Arbona, 2006; Robb, 2000). Therefore, sustainable poverty reduction strategies should be country-driven, encompassing wide consultations with different segments of the population, particularly the poor, who should be viewed as the focus of the programmes rather than the objects of development planners. Also, poor people should contribute resources and ideas to poverty reduction strategies to facilitate participation and ownership by the poor.

Sustainable poverty reduction strategies should be focused on the following critical issues:

- Creating broad-based economic growth: National governments in Sub- Saharan Africa should provide the enabling environment to facilitate sustainable economic growth. Government efforts should include the creation of enabling institutions that facilitate a private-sector driven economic framework. In addition, government should also create incentives to attract foreign direct investments through the provisionof appropriate incentives and the maintenance of security, law and order critical to economic growth and prosperity. These efforts should be complemented by fast-tracking on-going economic reforms aimed at fostering transparency and accountability and the withdrawal of government entities from commercial activities better undertaken by the private sector.
- Enhancing Human Capital Development: Governments, acting in concert with civil societies and development partners in the sub-region should embark on capacity building for both public and private sector operatives to be equipped for higher productivity critical in the increasingly globalised economic

order. This also includes the provision of more resources to provide education particularly for the poor in order to stem their marginalization in the society where they live.

- Promoting Integrated Rural Development: Since most Africans live in rural areas, there is need to transform rural livelihoods in order to stem rural-urban migratory trend, which has undermined rural areas in the past several decades. Adequate provision should be made to provide social and physical infrastructure in rural areas to ensure access to potable water, road, networks, transportation, electricity, communications, as well as schools and medical facilities.
- Providing Micro-Credit Schemes: A major obstacle to the poor is lack of assets. A major instrument applied to overcome the dearth of capital is the management of micro-finance institutions, as well as the provision of micro-credit to the poor. Making micro-credit available to the poor has not only transformed their livelihoods, it has also spurred the ingenuity and entrepreneurial acumen of poor people, particularly women living under impoverished conditions.
- Providing Safety Nets: Some of the poorest people in Africa include the aged, infirmed and the handicapped, who are vulnerable to poverty in all its ramifications. Government should earmark resources to mitigate poverty amongst these groups to maintain the social fabric of African societies, which is the key to stability in the communities.
- Fostering Good Governance; The absence of democratic, accountable governments in many African countries has been blamed for the escalation of poverty in affected countries. There is need .to foster democratic principles and promote good governance anchored on participatory. and democratic frameworks. This is key to eliminating conflict and the marginalization of ethnic, religious and other groups from the national agenda.

## 4.1. Concluding remarks

The high incidence of poverty in Africa is the major development challenge facing the continent today. And, perhaps, no other region in the world today presents a startlingly high incidence of poverty than Sub-Saharan Africa, where poverty has been rising over the last few decades. Here, the share of people, living on less than $1 a day exceeds that in the next poorest region, South Asia by about 17 percentage points.

What is however compelling about the poverty trend in this sub-region is that, in recent years, poverty has occurred in the context of positive growth. The failure of growth to reduce the incidence of poverty in this sub-region, suggests the need to critically re-examine the nexus of poverty, employment, and growth reduction. It follows therefore, that the task of overcoming poverty is an imperative deserving concerted efforts from various stakeholders across all African countries. Sub-Saharan Africa, which is home to most of the world's least developed countries, has been undermined by decades of economic under-performance, fuelled by conflicts, the prevalence of endemic diseases and extreme poverty.

Thus, if policy makers are to make reasonable advances in reducing the rate and depth of poverty in Sub-Saharan Africa, and thereby positively contribute to meeting the 1995 Copenhagen Social Summit global target of reducing poverty by half by 2015, then all stakeholders in this connection would need to mobilize sufficient resources to help the poor come out of poverty (AEMFI, 2001).

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